
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 12.09.2009

Wall Street Journal: "Treasury Halts a TCW Group Fund ... Upheaval continued to plague TCW Group, after the U.S. Treasury Department halted a high-profile fund established with the asset manager and a number of top-level employees loyal to deposed investment chief Jeffrey Gundlach began to defect."

Wall Street Journal: "News Gets a Bit Better for Victims of Madoff ... For some Madoff investors, the financial damage likely won't be as bad as originally feared."

Wall Street Journal: "Obama Pushes New Job Stimulus ... President Barack Obama pressed forward with an expansion of his \$787 billion stimulus plan Tuesday, unveiling job-creation proposals that largely build on the initial package, including a hiring tax credit that his own party jettisoned as unworkable and some business owners deemed ineffective."

Wall Street Journal: "Volcker: 'No Time for Return to Business as Usual' ... Former U.S. Federal Reserve Chairman Paul Volcker, speaking to the congress of Europe's center-right political parties in Bonn, said "this is no time for a return to business as usual" in global finance."

Wall Street Journal: "Senate Panel Sets Dec. 17 Vote on Bernanke ... A U.S. Senate panel will vote Dec. 17 on Federal Reserve Chairman Ben Bernanke's nomination to serve a second term as head of the central bank, the Senate Banking Committee said Tuesday."

Wall Street Journal: "Stimulus III ... If at first fiscal stimulus doesn't succeed, spend, spend again."

Wall Street Journal: "Sarbox for Small Business

... As he laid out his latest fiscal stimulus proposals yesterday (see above), President Obama stressed that the main goal is to encourage the growth of the small businesses that create most new American jobs. House Democrats apparently have other priorities."

Wall Street Journal: "A Transaction Tax Would Hurt All Investors ... 'Don't tax you, don't tax me, tax that fellow behind the tree.' Those famous words were spoken more than 30 years ago by the late Louisiana Sen. Russel B. Long when Congress was looking for ways to raise revenue. Some members of Congress believe they've found the fellow behind the tree: the Wall Street "speculator.""

Washington Post: "Obama lays out strategy for jobs ... President Obama outlined a response to the nation's intensifying job crisis Tuesday that encourages businesses to hire new workers by easing the flow of credit and implementing a series of tax cuts, but leaves important details -- including the cost of the plan -- to be hashed out by Congress."

Washington Post: "Lawmakers growing frustrated with mortgage-relief failures ... Most of the struggling homeowners who have enrolled in the Obama administration's marquee mortgage-relief program still haven't proved they qualify for help, illustrating lingering weakness in the effort to aid distressed borrowers."

Washington Post: "Democrats push more mortgage aid ... House Democrats are seeking to tap the government's massive bailout fund to help homeowners who have lost their jobs and are struggling to make their mortgage payments."

Washington Post: "Obama's FDR moment ... With a sweeping bow to reality, President Obama unveiled his second economic stimulus program on Tuesday. He didn't call it that, of course, since "stimulus" has become taboo, but the proposals he sketched will considerably amplify the government's efforts to combat the worst economic downturn since the Great Depression."

NY Times: "Year-End Audit Finds TARP Program Effective ... The independent panel that oversees the government's financial bailout program concluded in a year-end review that, despite flaws and lingering problems, the program "can be credited with stopping an economic panic.""

LA Times: "U.S. Treasury suspends \$1-billion TCW fund for toxic assets ... The bitter split between Los Angeles money manager TCW Group and its chief investment officer, Jeffrey Gundlach, has caused the U.S. Treasury to suspend a \$1-billion fund TCW recently raised to buy toxic assets from banks."

LA Times: "SEC sues Brookstreet Securities and its founder over sale of high-risk instruments ... Federal regulators sued Irvine brokerage Brookstreet Securities Corp. and its founder Tuesday, accusing them of systematically selling high-risk mortgage securities to customers with conservative investment goals."

USA Today: "TARP report: Good for Wall Street, not Main Street ... The federal government's \$700 billion bailout calmed Wall Street without easing pain on Main Street or restoring the financial system to health, a congressional oversight panel says in a report out Wednesday."

Washington Times: "Congress impatient with mortgage plan ... Only one in three homeowners who have signed up for the Obama administration's mortgage relief plan have sent back the necessary paperwork, highlighting continuing problems for the government's effort to stem the foreclosure crisis."

Washington Times: "New underground economy ... The underground or "black" economy is rapidly rising, and the fault is mainly due to government policies."

Reuters: "Treasury extends bailout program to October 2010 ... Treasury Secretary Timothy Geithner on Wednesday moved to extend the government's \$700 billion bailout fund into October 2010, but pledged to deploy no more than \$550 billion of it."

Reuters: "Fed's Duke: "toxic titles" foiling housing recovery ... The recovery of many U.S. low income areas remains stymied as lenders decide completing some foreclosures simply isn't worth the cost, casting many properties into "legal limbo," Federal Reserve Governor Elizabeth Duke said on Wednesday."

Investor's Business Daily, Rep. Royce: "Wall St. Reform Ignores Reason For Meltdown ... This week the House will consider legislation representing the single greatest threat to our capital markets in recent memory."

Forbes: "Lobbying Against Reform ... We are now in the midst of a very important national debate."

The Nation: "More Easy Money for Wall Street ... The sale pitch for financial-reform legislation pending in the House claims it would put an stop to "too big to fail" bailouts for the leading banks."

Politico: "Is Barney too frank? ... Barney Frank blows up at people. It's what he does."

Politico: "President Obama to urge banks to lend more ... President Barack Obama will meet with chief executives of major banks on Monday and is expected to urge them face-to-face to lend more money to help promote economic recovery, banking sources tell POLITICO."

Politico: "Auto exemption stirs CFPA debate ... The debate over financial reform legislation at times can seem impenetrable to anyone without a finance degree, dealing as it does with arcane issues and terminology such as systemic risk, resolution authority and exotic financial instruments. But there are still plenty of good old-fashioned lobbying fights under way."